

Message Text

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ORIGIN EB-11

INFO OCT-01 NEA-10 ISO-00 AGR-20 PA-04 PRS-01 USIE-00

SPC-03 AID-20 NSC-10 RSC-01 CIEP-02 TRSE-00 SS-20

STR-08 OMB-01 CEA-02 CIAE-00 COME-00 FRB-02 INR-10

NSAE-00 XMB-07 OPIC-12 LAB-06 SIL-01 SSO-00 NSCE-00

L-03 H-03 INRE-00 /158 R

DRAFTED BY EB/ORF/OFD/FPD:RSSIMPSON:JV

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NEA/PAB:PCONSTABLE

USDA/EMS:GTUSSEY

EB/IFD:KSTOCKER

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FM SECSTATE WASHDC

TO AMEMBASSY ISLAMABAD IMMEDIATE

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E.O. 11652: N/A

TAGS: EAGR, PK

SUBJECT: CCC CREDIT

REF: (A) ISLAMABAD 9845; (B) STATE 222857

1. NAC HAS GIVEN FORMAL APPROVAL NEW PAKISTAN DOLS. 35 MILLION LINE OF CREDIT. USDA WILL MAKE PUBLIC ANNOUNCEMENT TO US EXPORT TRADE AT THREE O'CLOCK P.M., E.S.T., WEDNESDAY, NOVEMBER 14, AFTER CLOSE OF TRADING ON US COMMODITY MARKETS. GOP MAY MAKE ANNOUNCEMENT AT ANY TIME THEREAFTER. CONDITIONS DESCRIBED IN REF B WILL APPLY. WHEAT WILL BE ONLY ELIGIBLE COMMODITY.

2. IN RESPONDING ANY PUBLIC INQUIRIES, EMBASSY SHOULD TAKE LIMITED OFFICIAL USE

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LINE THAT CREDIT WAS GRANTED TO RELIEVE SPECIAL ECONOMIC

AND FOOD SUPPLY PROBLEMS CAUSED BY PAKISTAN FLOODS. FYI
USG HAS ADOPTED POLICY OF WITHHOLDING ALL CCC CREDITS FOR
AGRICULTURAL EXPORT PROMOTION DURING CURRENT PERIOD OF
TIGHT WORLDWIDE COMMODITY SUPPLY CONDITIONS. EXCEPT FOR
PAKISTAN AND CHILE, NO NEW CCC CREDITS HAVE BEEN APPROVED
SINCE MARCH. APPROXIMATELY THIRTEEN OTHER COUNTRIES
HAVE REQUESTED NEW CREDITS. END FYI.

3. EMBASSY MAY WISH INFORM GOP SUBSTANCE ABOVE TO
EMPHASIZE EXTRAORDINARY EFFORT USG HAS MADE TO BE
RESPONSIVE PAKISTANI REQUESTS FOR ASSISTANCE.

4. TEXT OF USDA NOTICE TO EXPORTERS IS AS FOLLOWS
(UNNECESSARY WORDS OMITTED):

QUOTE LINE OF CCC CREDIT IN AMOUNT DOLS. 35 MILLION HAS
BEEN ESTABLISHED COVERING EXPORT FINANCING WHEAT TO
PAKISTAN. THIS FINANCING WILL APPLY ONLY THOSE SALES
MADE SEVEN OR MORE DAYS AFTER DATE THIS ANNOUNCEMENT.
APPLICATIONS FROM US EXPORTERS FOR FINANCING APPROVALS
AND FOR SALES REGISTRATIONS WILL BE ACCEPTED COMMENCING
NOVEMBER 21, 1973.

GUARANTOR IS THE NATIONAL BANK OF PAKISTAN AND/OR
OTHER ACCEPTABLE BANKS. THE CREDIT PERIOD IS 36 MONTHS
WITH EQUAL ANNUAL PAYMENTS OF PRINCIPAL AND ACCRUED
INTEREST. THE LINE IS EFFECTIVE THROUGH JUNE 30, 1974.
END QUOTE.

5. USDA AND DEPARTMENT PREPARING PRESS BRIEFING GUIDANCE
ALONG FOLLOWING LINES. PAKISTAN'S AGRICULTURAL
PRODUCTION HAS SUFFERED GREATLY THIS YEAR FROM HEAVY
RAINS AND FLOODS AND GREATER THAN USUAL IMPORTS ARE
NECESSARY TO PROVIDE FOR CURRENT NEEDS AND TO
REESTABLISH STOCKS. LINES OF CCC CREDIT WERE EXTENDED TO
PAKISTAN IN FY 1972 AND 1973. PL 480 CONCESSIONAL
CREDITS WERE ALSO UTILIZED IN THESE YEARS IN PURCHASING
SIZEABLE QUANTITIES OF US WHEAT. THIS YEAR LIMITATIONS
ON CONCESSIONAL CREDITS HAVE BROUGHT ABOUT GREATER NEED
FOR COMMERCIAL-TYPE CREDITS. RUSH
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Message Attributes

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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Declassified/Released
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EO Systematic Review
30 JUN 2005

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